

Memorandum

TO: Distribution List

FROM: Bryan Tippie, Budget Director

DATE: May 28, 2004

Re: Minutes of the May 20, 2004 Finance Committee Meeting



Committee Members present: Mr. Ray Graham and Mr. Bill Downey

The Finance Committee met on May 20, 2004, at 4:00 p.m. in the Courthouse 4th Floor Conference Room at 40 Culpeper Street. This document reflects the official minutes of that meeting.

County Treasurer's Report: The Treasurer's Report was included in the agenda books for the Finance Committee's consideration.

County Attorney's Report: Tracy Gallehr, Assistant County Attorney, presented the County Attorney's Report for the Finance Committee's consideration.

Consent Agenda

Supplemental Appropriations:

The following supplemental appropriations were approved for forwarding to the Board of Supervisors for their consideration unless otherwise noted.

FY 2004

1. School Division - \$10,000

- a. \$10,000 from Federal Funds was approved to be appropriated for the Parent Resource Center.
- b. \$42,901 from the Capital Fund was approved to be appropriated to the School Division Operating Budget for Fauquier High School Athletic Track repair.

2. Sheriff's Office - \$30,976

- a. \$1,280 from Federal Emergency Management Agency (FEMA) funds was approved for appropriation to the Sheriff's Office for damaged equipment due to Hurricane Isabel.
- b. \$8,319 from Insurance recovery was approved for appropriation to the Sheriff's Office for the repair of a damaged vehicle.
- c. \$21,377 from local Detention Center telephone commissions was approved for appropriation to the Detention Center budget.

3. Information Technology (IT) - \$27,430

\$27,430 from State Funds was approved for appropriation to IT for Clerk of the Circuit Court's technology needs in maintaining records.

4. Fire and Emergency Services (F&ES) and Fire and Rescue - \$5,793

- a. \$1,172 in miscellaneous revenue generated from fire training classes was approved for appropriation to Fire and Rescue for educational and instructional supplies.
- b. \$2,176 from FEMA was approved for appropriation to F&ES for Hurricane Isabel expenses.
- c. \$2,445 from Fire and Rescue was approved for appropriation to F&ES for training classes.

5. Community Development - \$25,000

\$25,000 from Land Disturbing Permit revenue was approved for appropriation for the Engineers & Surveyors Institute Peer Review Program. The use of the program had been previously approved by the Board of Supervisors.

6. Parks and Recreation - \$50,034

\$50,034 from additional P&R program revenue was approved for appropriation for costs associated with the expansion of the programs.

Transfers:

Parks and Recreation -\$23,796

The request was for an internal Parks & Recreation Department budget transfer to support the installation of a donated batting cage at the Central Sports Complex. The Committee felt that as it would be sometime before work would begin at the Central Sports Complex and that this action may be premature. The Committee indicated that they would support the transfer if the additional facts justified the request. The Budget Office was directed to obtain additional details

In follow-up the P&R Department stated the funding would be used to purchase materials for installation of the batting cage. These included such items as fencing poles, concrete blocks, roofing materials, electrical breakers and other materials which could be purchased with funds currently available and stored until the actual construction. The Parks & Recreation Department indicated this use of existing funds would ensure no delay in the project once the Complex was ready.

Contacted after the meeting, Mr. Graham and Mr. Downey concurred on the requested transfer of funds.

Regular Agenda

Supplemental Appropriations:

FY 2004

1. Social Services - \$307,736

\$307,736 from additional Federal (\$159,425) and State (\$148,311) Funds was approved for appropriation for the Foster Care Program .

2. Budget Office - \$725,619

- a. \$491,619 was approved for appropriation from Real Estate revenue to the Reassessment budget for the first year of expenses.
- b. \$234,000 was approved for appropriation in the Capital Fund from the Fund Balance for the Warren Green Building renovations.

3. General District Court - \$1,340

\$1,340 from legal services revenue was approved for appropriation to the General District Court for legal services costs.

4. Volunteer Fire & Rescue - \$35,000

\$35,000 in additional appropriation from F&R Capital Funds was approved for support of replacing the Remington Fire Station roof. In April \$25,000 had previously been approved for this project. This action would increase the total amount to \$60,000.

5. School Division - \$4,254,377

- a. The School Board request of approximately \$4,000,000 for Liberty High School HVAC Mechanical System Upgrade was directed to be included as a separate item on the Board of Supervisors' June 21, 2004 agenda.

The Committee recommended \$4,000,000 of the \$4,300,000 appropriated several years ago for Warrenton/Taylor Middle School renovation be used to support this request. Due to the extensive cost increase for the Middle School renovation, the School Board is pursuing other options. The Finance Director was instructed to begin addressing borrowing options for the \$4,000,000 in order to respond quickly if the Board of Supervisors approved the proposed resolution.

As a part of this action, the Finance Committee further recommended that the existing Warrenton/Taylor Middle School expenditures (approximately \$215,305) be supported by Fund Balance and the remaining appropriation be deappropriated.

- b. \$39,072 was approved from the Contingency Reserve to the Capital Fund for the installation of a school zone warning system with flashing sign posts along the median of the north and southbound lanes of Route 17 in front of Liberty High School.

FY 2005

6. Sheriff's Office - \$40,142

\$40,142 was approved for appropriation from the Contingency Reserve for an Animal Control position in the Sheriff's Office.

7. Human Resources - \$75,000

\$75,000 was approved for appropriation from the Non Departmental Salary Reserve to the Human Resources budget for a Fauquier County Government and School Division system-wide job position review.

8. School Division - \$1,984,658

\$1,984,658 was approved for appropriation from additional State Funds to support School Division operations. The State budget was approved after the FY 2005 Fauquier County Budget was adopted.

9. Fire and Emergency Services - \$19,798

- a. \$9,000 was approved for funding part time temporary station staff from the F&ES adopted operational budget. F&ES will be held harmless for this cost if at the end of the fiscal year their funds are not adequate to cover the costs.
- b. \$10,798 was approved for funding a full time permanent Emergency Medical Training Technician from the F&ES operational budget. The F&RA will transfer \$38,000 to F&ES to support the full cost of the new position. F&ES will be held harmless for this cost if at the end of the fiscal year their funds are not adequate.

Transfers:
FY 2004

1. General District Court - \$7,250

- a. \$3,090 was approved from the Contingency Reserve for General District Court telephone expenses.
- b. \$4,160 was approved from the Contingency Reserve for General District Court legal services.

FY 2005

2. Social Services - \$5,803

\$5,803 in budgeted Federal Funds was approved for internal transfer to change a temporary full time Day Care Aide position to a permanent full time Day Care Aide position.

Comments

1. Finance:

Health Insurance – Janice Bourne, Finance Director, provided the health insurance fund summary.

From April 2003 to April 2004, there has been a 14.8% increase in expenditures. The average for the first ten (10) months in FY 2004 is \$832,301 per month. At \$1,009,137, April was the most expensive month of health care cost ever. If expenditures remain constant, the Health Insurance Fund is projected to end FY 2004 using \$170,000 from the Health Insurance Fund Balance.

2. Budget Office:

Revenue - Bryan Tippie, Budget Director, stated that based on the May 12, 2004 Revenue Meeting, revenue projections for FY 2004 were estimated to be \$2.2 million above the current amended budget.

3. Commissioner of the Revenue: Ross D'Urso, Commissioner of the Revenue, requested that the ½ % removed from the County employee merit pool during the budget process be revisited (from 4% to 3.5%). He was advised to make this \$110,000 request to the Personnel Committee and, if recommended by them, then it would be considered by the Finance Committee. Mr. D'Urso's request was based on additional State funds provided to the County.

**The next Finance Committee Meeting will be
June 17, 2004 at 2:00 p.m.**